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Naval Enterprise Networks
NGEN Re-compete Industry Day
Strategic Considerations

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Challenges and Considerations

- **NGEN challenges**
  - Services and technologies have far outpaced circa 2012 NGEN PWS
  - Agility is needed to support emergent requirements
  - For major contracts, transition activities need to be focused and timely
  - Contract of sufficient length to support investment decisions
  - Alignment with infrastructure-based service delivery methodologies
  - A learning curve is required when there are changes to Government and industry roles, processes, tools and governance

- **To effectively address challenges, need to consider**
  - Stakeholder feedback and lessons learned
  - Industry engagement
  - Technologies and infrastructure (Cloud, DCC, ONE Net, Legacy Networks, Joint)

Incorporate useful data into the Re-compete Approach

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Stakeholder Feedback

USN/USMC stakeholder focus group meetings (Top 5)	Other Important Considerations
• Network security • Customer satisfaction • Network command and control • Speed-to-delivery • Technology integration	• Services and delivery performance expected at contract award • Appropriate contract incentives to emphasize service priorities • Varying end user profiles

Focused on the needs of the end user

Industry Engagement
Vendor Discussions

Face-to-face meetings with Industry

- **USN/USMC/DCAO pursuit of industry input/feedback**
  - Format: 2 hours…"If you were king for a day…"
  - Thirteen IT Services vendors interviewed as of Oct 2015 (8-12 remaining)
  - Large and small businesses have been interviewed

- **Insights and discovery**
  - Vendors exist (beyond well-known brands) of significant size and capability
  - Cloud services (cloud broker and cloud integrator roles significant discussion
  - Request that the Government re-assess the following: evaluation criteria, period of performance; paths to innovation; cybersecurity requirements; and NMCI/MCEN network limitations
  - Acquisitions and mergers will shape the available vendor base
  - Vendors generally favor firm-fixed-price, IDIQ contracts

Focused on capabilities and contract strategies

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Industry Engagement
RFI #1

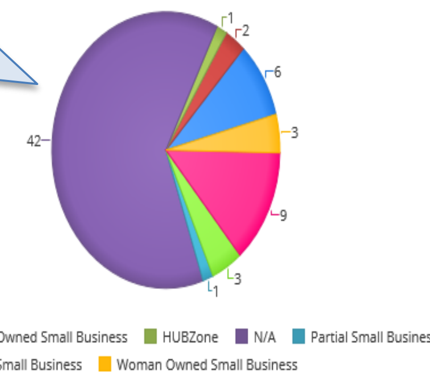
- **Gain vendor insights on the following questions:**
  - What concentration of vendors are/will be working in what IT service delivery space?
  - What services might be bundled to create attractive contract offerings?
  - How well is Industry aligned with Government desired attributes?
  - What will Industry's competitive health posture be for the 2018 timeframe?
- **Significant change in the environment by 2018**
  - Today's 34 services will not be defined as such
  - Vendors service offerings
  - Service delivery methodologies (e.g. cloud)
- **67 Respondent, key insights:**
  - IDIQ and fixed priced contracts most desired
  - MCEN/NMCI infrastructure and SAAS most common choices for service delivery
  - Vendors are very familiar with C&A and other enabling processes
  - Most prefer a single contract for each service area rather than a bundled contract (swim lane focus)

Great Response – Thank You!

Registrations by Business Type

Total Registrations: 67

Large – 62.7%
Small – 14.9%
8(a) – 8.9%
Woman Owned – 7.5%
SDVOSB – 4.5%
HUB Zone – 1.5%



GARTNER RESEARCH - SWEET SPOT DEAL ATTRIBUTE
1. Fit of Service Offerings - - Can the provider deliver the services you require in the locations you operate in?
2. Scale of Services Deal - - Is the provider used to delivering deals of the size and complexity you envisage?
3. Maturity of Service Delivery Processes - - Can the provider meet your quality requirements and consistently deliver the service and business outcomes you need?
4. Cultural Compatibility - - How easy is the provider to work with, and does it understand your business?
5. Flexibility in Dealings and Extensibility of Solutions - - How well can the provider manage changes in your services requirements during the life of the deal?

Strategic Changes to the Environment

- Future service providers will be able to leverage **Cloud infrastructure** to provision services
- NEDC (DCAO) data center and NMCI (PMW 205) server farm consolidation will facilitate **Data Center Management** opportunities
- **Legacy Network Migration** activities may increase the scope of services required
- **ONE Net-to-NEN transition** will ensure common network technical baseline and implementation of aligned contracting, service delivery and network operations
- Planning and on-going discussions underway to address **Joint Service** implementation of security and service delivery initiatives

Service delivery (& support processes) will be different!

Summary

- USN & USMC: Two business units leveraging a common service model
- Use of commercial services and delivery methodologies
- Contractual agreements to support breadth of service delivery needed
- Service model and service portfolio aligned with future landscape
- USN/USMC/DCAO integration of input to develop the notional acquisition approach

Competition, Speed to Delivery, Contract Flexibility, Innovation